

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:	Chapter 11
FTX TRADING LTD., <i>et al.</i> , ¹	Case No. 22-11068 (JTD)
Debtors.	(Jointly Administered)
	Hearing Date: December 13, 2023 at 1:00 p.m. (ET)
	Objection Deadline: October 5, 2023 at 4:00 p.m. (ET)

**THIRD INTERIM APPLICATION OF ALIXPARTNERS, LLP, FORENSIC
INVESTIGATION CONSULTANT TO THE CHAPTER 11 DEBTORS
AND DEBTORS-IN-POSSESSION, FOR COMPENSATION FOR PROFESSIONAL
SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES INCURRED
FOR THE PERIOD FROM MAY 1, 2023 THROUGH JULY 31, 2023**

Name of Applicant:	ALIXPARTNERS, LLP
Authorized to provide professional services to:	The Debtors and Debtors-in-Possession
Date of Retention:	January 20, 2023 <i>nunc pro tunc</i> to November 28, 2022 [Docket No. 546]
Period for which compensation and reimbursement is sought:	May 1, 2023 through July 31, 2023
Amount of compensation sought as actual, reasonable and necessary:	\$14,373,266.25
Amount of expense reimbursement sought as actual, reasonable and necessary:	\$213,331.79
Total compensation paid to date:	\$8,141,550.80
Total expenses paid to date:	\$99,271.99
Blended hourly rate for all AlixPartners professionals:	\$730.56
The total time expended for fee application preparation is 444.4 hours and the corresponding compensation requested is \$260,778.00.	
This is a(n): <u> </u> Monthly Application <u> X </u> Interim Application <u> </u> Final Application	

¹ The last four digits of FTX Trading Ltd.'s and Alameda Research LLC's tax identification number are 3288 and 4063 respectively. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at <https://cases.ra.kroll.com/FTX>.

ALIXPARTNERS, LLP**SUMMARY OF MONTHLY FEE STATEMENTS
DURING THE THIRD INTERIM PERIOD**

Date Filed; Docket No.	Period	Requested		Paid		Certificate of No Objection	Amount Outstanding
		Fees	Expenses	Fees	Expenses		
06/30/2023 Docket #1820	05/01/2023 - 05/31/2023	5,122,984.75	52,672.11	4,098,387.80	52,672.11	07/21/2023 Docket #1893	1,024,596.95
07/31/2023 Docket #2099	06/01/2023 - 06/30/2023	5,053,953.75	46,599.88	4,043,163.00	46,599.88	08/24/2023 Docket #2242	1,010,790.75
8/30/2023 Docket #2274 ¹	07/01/2023 - 07/31/2023	4,196,327.75	114,059.80				4,310,387.55
Total		\$14,373,266.25	\$ 213,331.79	\$ 8,141,550.80	\$ 99,271.99		\$ 6,345,775.25

SUMMARY OF INTERIM FEE APPLICATIONS

Date Filed; Docket No.	Period Covered	Requested		Date Order Filed; Docket No.	Awarded		Paid		Amount Outstanding
		Fees	Expenses		Fees	Expenses	Fees	Expenses	
03/17/2023 Docket #1116	11/28/2023 - 01/31/2023	\$ 3,217,982.50	\$ 30,362.32	06/28/2023 Docket #1794	\$ 3,178,011.42	\$ 30,362.32	\$ 3,178,011.42	\$ 30,362.32	\$ 39,971.08
06/15/2023 Docket #1644	02/01/2023 - 04/30/2023	12,298,421.00	121,201.07			-	9,838,736.80	121,201.07	2,459,684.20
09/15/2023 Docket #N/A	05/01/2023 - 07/31/2023	14,373,266.25	213,331.79			-	8,141,550.80	99,271.99	6,345,775.25
Subtotal		\$ 29,889,669.75	\$ 29,889,669.75		\$ 3,178,011.42	\$ 30,362.32	\$ 21,158,299.02	\$ 250,835.38	\$ 8,845,430.53
Less Voluntary Reduction ²		(39,971.08)							(39,971.08)
Less Voluntary Reduction ³		(210,000.00)	(15,000.00)						(225,000.00)
Total		\$ 29,639,698.67	\$ 29,874,669.75		\$ 3,178,011.42	\$ 30,362.32	\$ 21,158,299.02	\$ 250,835.38	\$ 8,580,459.45

¹ Due to a clerical error, AlixPartners inadvertently sought an overage of \$350.00 in expenses in the *Eighth Monthly Fee Statement of AlixPartners, LLP, Forensic Investigation Consultant to the Chapter 11 Debtors and Debtors-In-Possession, for Compensation for Professional Services Rendered and Reimbursement of Expenses Incurred for the Period from July 1, 2023 through July 31, 2023* [Docket No. 2274] (the “July Monthly Fee Statement”). The payment for the July Monthly Fee Statement will be reduced by \$350.00, which will also be reflected in the relevant Certificate of No Objection.

² AlixPartners voluntarily agreed with the Fee Examiner to a reduction of professional fees in the amount of \$39,971.08 during the First Interim Period.

³ AlixPartners voluntarily agreed with the Fee Examiner to a reduction of professional fees and expenses in the amount of \$225,000.00 during the Second Interim Period.

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

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Debtors.

Chapter 11

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(Jointly Administered)

Hearing Date: December 13, 2023 at 1:00 p.m. (ET)

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**THIRD INTERIM APPLICATION OF ALIXPARTNERS, LLP, FORENSIC
INVESTIGATION CONSULTANT TO THE CHAPTER 11 DEBTORS
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FOR THE PERIOD FROM MAY 1, 2023 THROUGH JULY 31, 2023**

AlixPartners, LLP (“AlixPartners”), as forensic investigation consultant to the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”), hereby submits its third interim application (the “Application”) for allowance of compensation for professional services rendered and reimbursement of out-of-pocket expenses incurred for the period from May 1, 2023 through July 31, 2023 (the “Third Interim Period”). AlixPartners respectfully states as follows:

Jurisdiction and Venue

1. The United States Bankruptcy Court for the Delaware (the “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

2. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

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Background

3. On November 11 and November 14, 2022 (as applicable, the “Petition Date”), the Debtors each filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code, thereby commencing the above-captioned chapter 11 cases (the “Chapter 11 Cases”) in this Court.

4. Joint administration of the Chapter 11 Cases was authorized by the Court by entry of an order on November 22, 2022 [Docket No. 128].

5. No trustee or examiner has been appointed in these Chapter 11 Cases.

6. On December 15, 2022, the Office of the United States Trustee for the District of Delaware (the “U.S. Trustee”) appointed the Official Committee of Unsecured Creditors [Docket No. 231].

7. On December 21, 2022, the Debtors filed their *Application for an Order Authorizing the Retention and Employment of AlixPartners, LLP as Forensic Investigation Consultant to the Debtors Nunc Pro Tunc to November 28, 2022* [Docket No. 277].

8. On January 20, 2023, the Court entered the *Order Authorizing the Retention and Employment of AlixPartners, LLP as Forensic Investigation Consultant to the Debtors Nunc Pro Tunc to November 28, 2022* [Docket No. 546] (the “Retention Order”).

9. The Retention Order approved the terms of AlixPartners’ hourly fee and expense structure set forth in the engagement letter dated November 28, 2022 (the “Engagement Letter”) and authorized AlixPartners to be compensated and reimbursed pursuant to section 327 of the Bankruptcy Code in accordance with the terms of the Engagement Letter, subject to the procedures set forth in the Title 11 of the Bankruptcy Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure, Rule 2016-2 of the *Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware* (the “Local Rules”), the United States

Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330, adopted June 11, 2013 (the “U.S. Trustee Guidelines”) and the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* [Docket No. 435] (the “Interim Compensation Order”), and any other applicable orders of this Court.

10. AlixPartners’ standard hourly rates are reviewed semi-annually and certain professionals’ rates were adjusted as of January 1, 2023. Adjustments included reasonable, routine, across-the-board rate increases to reflect promotions and general market increases comparable to market rates of comparable firms performing similar services. The range of fees approved by the Retention Order was not impacted by these changes.

11. Pursuant to the Engagement Letter, Matthew Evans is the Partner and Managing Director responsible for this engagement, assisted by a staff of consultants at various levels with a wide range of relevant skills and abilities.

12. On March 8, 2023, the Court entered the *Order (i) Appointing Fee Examiner and (ii) Establishing Procedures for Consideration of Requested Fee Compensation and Reimbursement of Expenses* [Docket No. 834] appointing Katherine Sadler (the “Fee Examiner”) to serve as the fee examiner in these Chapter 11 Cases and establishing certain procedures in connection therewith.

Relief Requested

13. By this Application and in accordance with the Interim Compensation Order, AlixPartners seeks interim approval and allowance of its compensation for professional services rendered and reimbursement of expenses incurred during the Third Interim Period, including authorization for the Debtors to pay the 20% holdback of fees as provided under the Interim Compensation Order (the “Holdback”). AlixPartners has filed and served monthly fee statements covering the Application Period (collectively, the “Monthly Fee Statements”). Each of the Monthly

Fee Statements is incorporated by reference as if fully set forth herein. For the avoidance of doubt, by this Application, AlixPartners is seeking only allowance of the compensation during the Third Interim Period previously set forth in the Monthly Fee Statements and payment of the Holdback. Other than the Holdback, AlixPartners is not requesting additional fees or expense reimbursement above the Third Interim Period compensation.

14. In accordance with the U.S. Trustee Guidelines and the Local Rules, this Application is supported by the following exhibits:

- **Exhibit A**: Summary of Hours and Fees by Professional
- **Exhibit B**: Summary of Hours and Fees by Matter Category
- **Exhibit C**: Summary of Expenses
- **Exhibit D**: Certification of Matthew Evans in support of the Application.

Monthly Fee Statements During the Third Interim Period

15. AlixPartners filed and served three (3) Monthly Fee Statements during the Third Interim Period pursuant to the Interim Compensation Order. The Monthly Fee Statements contain detailed descriptions of the services rendered in the amount of \$14,373,266.25² and out-of-pocket expenses incurred in the amount of \$213,331.79 and are noted below:

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07/31/2023 Docket #2099	06/01/2023 - 06/30/2023	5,053,953.75	46,599.88	4,043,163.00	46,599.88	08/24/2023 Docket #2242	1,010,790.75
8/30/2023 Docket #2274	07/01/2023 - 07/31/2023	4,196,327.75	114,059.80				4,310,387.55
Total		\$14,373,266.25	\$ 213,331.79	\$ 8,141,550.80	\$ 99,271.99		\$ 6,345,775.25

16. Detailed descriptions of the services performed by each professional, organized by

² This amount includes 20% holdback amounts of \$1,024,596.95 for the Sixth Monthly Fee Statement, \$1,010,790.75 for the Seventh Monthly Fee Statement and \$839,265.55 for the Eighth Monthly Fee Statement, for a total holdback of \$2,874,653.25.

matter category and by date, the hours of services provided (in tenths of an hour), and a detailed list of the out-of-pocket expenses incurred during the Third Interim Period are attached to the Monthly Fee Statements.

17. AlixPartners received payments from the Debtors in the amount of \$8,141,550.80 for services rendered and \$99,271.99 for out-of-pocket expenses incurred during the Third Interim Period. A total amount of \$6,345,775.25 remains outstanding for the Third Interim Period as of the filing of this Application.

Notice and No Prior Request

18. Notice of this Application has been given to the following parties or, in lieu of, to their counsel, if known: (a) the U.S. Trustee; (b) the Official Committee of Unsecured Creditors; (c) the Fee Examiner; and (d) all parties required to be given notice in the Interim Compensation Order. AlixPartners submits that no other or further notice is necessary.

19. No prior request for the relief sought in this Application has been made to this or any other Court.

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Conclusion

WHEREFORE, AlixPartners, as forensic investigation consultant to the Debtors, respectfully requests that the Court enter an order providing: (i) an interim allowance of compensation for professional services in the amount of \$14,373,266.25 (including the Holdback in the amount of \$2,874,653.25) and reimbursement of out-of-pocket expenses in the amount of \$213,331.79 for the Third Interim Period; (ii) that the Debtors are authorized and directed to pay AlixPartners the remaining outstanding balance of \$6,345,775.25; and (iii) such other and further relief as this Court deems proper.

Dated: September 15, 2023

ALIXPARTNERS, LLP
909 Third Avenue, 28th Floor
New York, New York 10022

/s/ Matthew Evans

By: Matthew Evans
Partner & Managing Director